

# REQUEST FOR PROPOSAL Addendum # 3



Department Of Executive Services  
Finance and Business Operations Division  
**Procurement and Contract Services Section**  
206-684-1681 TTY Relay: 711

**ADDENDUM DATE: July 03, 2006**

RFP Title: **Municipal Solid Waste Compactor**  
RFP Number: **05-119 JAE**

Buyer: Jim Engan, [jim.engan@metrokc.gov](mailto:jim.engan@metrokc.gov), 206-684-1053

This addendum is issued to revise the contract that will be awarded as a result of RFP 05-119 JAE as follows:

## **PART 2 - Contract**

Item No.	Page/Section	Description
1	Page 2	Contract Signature Page; Seventh paragraph: <b>Delete:</b> A) Price <b>Replace With:</b> A) Price and Schedule
2	Page 23	Contract Signature Page; Seventh paragraph: <b>Add:</b> G) Compactor Maintenance Schedule
3	Page 25	Section 2 - Specific Contractual Terms and Condition; 2-27 A. Irrevocable Standby Letter of Credit <b>Delete the First Sentence:</b> Prior to the execution of this Contract, the Contractor shall furnish to the County an Irrevocable Standby Letter of Credit ("LOC") in the amount of one-hundred-fifty (150) percent of the Contract Price as security for the faithful performance of the work and all obligations under the Contract, including contract change orders for Changed Work. <b>Replace With:</b> Prior to the execution of this Contract, the Contractor shall furnish to the County an Irrevocable Standby Letter of Credit ("LOC") in the amount of the contract price as security for the faithful performance of the work and all obligations under the Contract, including contract change orders for Changed Work
4	Page 27	Section 3 - Insurance Requirements; 3-2 Insurance Requirements, C1-Minimum Limits of Insurance <b>Add Subsection 3-2 C1.a:</b> The \$3 million dollar aggregate limit either in a primary general liability policy or a combination of the primary general liability policy plus umbrella policy.

Item No.	Page/Section	Description
5	Section 01200	<p>Section 01200 – Payment Procedures Compactor</p> <p>1.03 Progress Payment, A5.</p> <p><b>Delete:</b> Completion – Milestone 5: The conclusion of the warranty and service obligation, and maintenance obligation; payment equal to seventeen (17) percent of the Contract Amount.</p> <p><b>Replace With:</b> Completion – Milestone 5: The conclusion of the first year of the warranty and service obligation, and maintenance obligation; payment equal to ten (10) percent of the Contract Amount. The conclusion of the second year of the warranty and service obligation, and maintenance obligation; payment equal to seven (7) percent of the Contract Amount.</p>
6	Section 445113	<p>Section 44 51 13 Solid Waste Compactor</p> <p>1.12 Warranty, C. Replace defective parts with new parts, 1.</p> <p><b>Replace With:</b> 1. Any parts claimed by County to be defective, except the cylinder, shall become property of the Contractor.</p>
7	Section 445113	<p>Section 44 51 13 Solid Waste Compactor</p> <p>1.01 Summary, B.1e.</p> <p><b>Delete:</b> Completion – Milestone 5: The conclusion of the warranty and service obligation, and maintenance obligation; payment equal to seventeen (17) percent of the Contract Amount.</p> <p><b>Replace With:</b> Completion – Milestone 5: The conclusion of the first year of the warranty and service obligation, and maintenance obligation; payment equal to ten (10) percent of the Contract Amount. The conclusion of the second year of the warranty and service obligation, and maintenance obligation; payment equal to seven (7) percent of the Contract Amount.</p>
8	Section 445113	<p>1.12 Warranty, H. Compaction Cylinder Warranty: The compaction cylinder(s) shall be covered for a period of (2) years from date of Final Acceptance., 4.</p> <p><b>Delete:</b> 4. A compaction cylinder claimed by the County to be defective immediately becomes property of the Contractor.</p>
9	<a href="#">Attachment B</a>	<p>Irrevocable Letter of Credit</p> <p><b>Delete:</b> The existing Irrevocable Letter of Credit.</p> <p><b>Replace:</b> it with the new “Attachment B Irrevocable Letter of Credit”, attached.</p>

## ATTACHEMENT B

**Note: Place on Company's Letterhead**

DATE: \_\_\_\_\_

IRREVOCABLE STANDBY LETTER OF CREDIT NO. \_\_\_\_\_

APPLICANT:  
NAME OF APPLICANT  
(ADDRESS)

IN FAVOR OF BENEFICIARY:  
KING COUNTY SOLID WASTE DIVISION  
201 S. Jackson Street  
Suite 701  
Seattle, WA 98104

AMOUNT: USD \$ ( CONTRACT PRICE), (SPELL OUT AMOUNT) AND NO CENTS U.S. DOLLARS)

EXPIRATION DATE: December 31, 2007 at 3:00 P.M. in Seattle, Washington at the counter of:

KC Solid Waste Division  
201 S. Jackson Street  
Suite 701  
Seattle, WA 98104.

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ in your favor and authorize you, King County, Washington Solid Waste Division, as Beneficiary, to draw on ( **Bank name and address of bank**) for the account of **(Name of Applicant) and (Address of Applicant)**, up to an aggregate amount of USD \$ ( CONTRACT PRICE), available by your draft(s) drawn at sight accompanied by a duly signed certificate, purported to be signed by your authorized officer indicating to the effect that **(Name of Applicant)** or its agents, representatives, or subcontractors, has failed to comply with its outstanding obligations to you arising under and from Contract No. 05-199JAE - Municipal Solid Waste Compactor, entered into on (DATE) between King County, Washington, Division of Solid Waste and **Name of Applicant**.

This request for payment under this Irrevocable Standby Letter of Credit No. \_\_\_\_\_ shall be final and conclusive for all purposes without verification by **(Name of Applicant)** or **(Bank Name)**, and shall not be subject to refutation, denial, or contest by **(Name of Applicant)** or the **(Bank Name)**.

Multiple drawings shall be permitted.

This Irrevocable Standby Letter of Credit is transferable within the USA only by **(name of Bank)** upon receipt of our completed transfer form and the original Irrevocable Standby Letter of Credit for endorsement. Advice of completed transfer will be forwarded to appropriate parties. All charges connected to the transfer are for the account of the Beneficiary. Transfer charge \_\_\_\_\_ percent of the transferred amount, minimum USD. \$(CONTRACT PRICE).

This Irrevocable Standby Letter of Credit may not be transferred to any person with which U.S. persons are prohibited from doing business under the U.S. Foreign Assets Control Regulations, as amended or revised, or other applicable U.S. laws and regulations.

Each draft under this Irrevocable Standby Letter of Credit must bear upon its face the words, "This Draft is drawn under the **(Name of Bank, location of Bank)** Irrevocable Standby Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_."

All payments under this letter of credit shall be made by transfer to an account with King County (Washington) Solid Waste Division.

This Irrevocable Standby Letter of Credit is subject to the Uniform Customs and Practice For Documentary Credits, as most currently amended or revised, International Chamber of Commerce Publication No. 590 and as to matters not addressed by the ICC No. 590, shall be governed by and constructed in accordance with the laws of the State of Washington. We agree that any dispute which arises concerning this Irrevocable Standby Letter of Credit shall be resolved in the United States District Court residing in Seattle, Washington or the King County Superior in Seattle, Washington, as applicable.

Notwithstanding the above, this letter of credit shall not be extended for any period beyond December 31, 2007 on which date it shall expire in full and finally.

We engage with you that all drafts drawn under and in compliance with the terms of this Irrevocable Standby Letter of Credit will be duly honored upon presentation to us of the following documents:

(a) Your sight draft, in the form attached hereto as Exhibit A, in the amount available under this Irrevocable Standby Letter of Credit No. \_\_\_\_\_; and

(b) A certificate signed by your duly authorized officer, in the form attached hereto as Exhibit B.

Bank Name

By: \_\_\_\_\_  
Authorized Signature

Standby L/C No. \_\_\_\_\_

**EXHIBIT A  
FORM OF SIGHT DRAFT**

DATE: \_\_\_\_\_

BANK NAME: \_\_\_\_\_  
(ADDRESS)

Attention: Letter of Credit Department

Dear Sirs,

At sight, please pay to the order of King County (Washington) Solid Waste Division the sum of  
US \$ (CONTRACT PRICE), . ( SPELL OUT AMOUNT) AND NO CENTS U.S. DOLLARS)

This Draft is drawn under the **(Name of Bank, location of Bank)** Irrevocable Standby Letter of Credit No.  
\_\_\_\_\_ dated \_\_\_\_\_.

King County, Washington  
Solid Waste Division

By: \_\_\_\_\_  
Theresa Jennings  
Director, Solid Waste Division

Standby L/C No. \_\_\_\_\_

**EXHIBIT B**  
**CERTIFICATE**

DATE: \_\_\_\_\_

NAME OF BANK: \_\_\_\_\_  
(ADDRESS)

Attention: Letter of Credit Department

Dear Sirs,

The undersigned, a \_\_\_\_\_, of King County (Washington) Solid Waste Division (hereinafter called the "Beneficiary"), hereby certifies to you as follows with respect to the certain Irrevocable Standby Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_ issued by **(Name of Bank)** (The "Bank") in favor of the Beneficiary.

A. The undersigned is a duly authorized officer of the Beneficiary.

B. The Beneficiary is not in default of its obligations under Contract No. \_\_\_\_\_  
("\_\_\_\_\_")  
dated \_\_\_\_\_ between the Beneficiary and \_\_\_\_\_ **(Name of Applicant)**

C. \_\_\_\_\_ **(Name of Applicant)**, its representatives, designees, assignees or subcontractors, have failed to comply with its outstanding obligations to Beneficiary arising under and from Contract No. \_\_\_\_\_ (\_\_\_\_\_) dated \_\_\_\_\_ between the Beneficiary and \_\_\_\_\_ **(Name of Applicant)**

D. Pursuant to Contract No. \_\_\_\_\_ and as provided in sight draft of even date herewith, the Beneficiary is entitled to demand, and hereby demands, the sum of US Dollars \_\_\_\_\_ under Irrevocable Standby Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_.

IN WITNESS WHEREOF, THE UNDERSIGNED HAS EXECUTED THIS CERTIFICATE AS OF \_\_\_\_\_.

King County, Washington  
Solid Waste Division

By: \_\_\_\_\_  
Theresa Jennings, Director  
Solid Waste Division  
*For Ron Sims, King County Executive*